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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 24, 1998

APPLICATION OF

NORTHPOINT COMMUNICATIONS OF VIRGINIA, INC.

CASE NO. PUC980001

For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services

FINAL ORDER

On January 7, 1998, NorthPoint Communications of Virginia,
Inc. ("NorthPoint" or "Applicant") filed an application for
certificates of public convenience and necessity ("certificate")
to provide local exchange and interexchange telecommunications
services throughout the Commonwealth of Virginia.

By Order dated January 29, 1998, the Commission directed the Applicant to provide notice to the public of its application, directed the Commission Staff to conduct an investigation and file a report, and scheduled a public hearing to receive evidence relevant to NorthPoint's application. On March 5, 1998, the Staff filed its report finding that NorthPoint's application was in compliance with the Commission's Rules for Local Exchange Telephone Competition, as adopted in Case No. PUC950018, except that NorthPoint did not provide audited financial statements, and

the Commission's Rules Governing the Certification of
Interexchange Carriers, as amended in Case No. PUC850035. Based
upon its review of NorthPoint's application and unaudited
financial statements, the Staff determined it would be
appropriate to grant an interexchange certificate to the Company
and a local exchange certificate to NorthPoint subject to two
conditions: (1) any customer deposits collected by the Company
shall be retained in an unaffiliated third-party escrow account
until such time as the Staff or Commission determines is
necessary; and (2) the Company shall provide audited 1997 yearend financial statements to the Staff on or before July 1, 1998.

A hearing was conducted on March 19, 1998. NorthPoint filed proof of publication and proof of service as required by the January 29, 1998 scheduling order. At the hearing, the application and accompanying attachments, and the Staff report were entered into the record without objection.

Having considered the application and the Staff report, the Commission finds that NorthPoint's application should be granted. Having considered § 56-481.1, the Commission also finds that NorthPoint may price its interexchange services competitively. Accordingly,

IT IS THEREFORE ORDERED THAT:

(1) NorthPoint Communications of Virginia, Inc. is hereby granted a certificate of public convenience and necessity,

No. TT-46A, to provide interexchange service subject to the restrictions set forth in the Commission's Rules Governing the

Certification of Interexchange Carriers, § 56-265.4:4 of the Code of Virginia, and the provisions of this order.

- (2) NorthPoint Communications of Virginia, Inc. is hereby granted a certificate of public convenience and necessity, No. T-406, to provide local exchange telecommunications service subject to the restrictions set forth in the Commission's Rules for Local Exchange Telephone Competition, § 56-265.4:4 of the Code of Virginia, and the provisions of this order.
- (3) NorthPoint shall provide tariffs to the Division of Communications which conform with all applicable Commission rules and regulations.
- (4) NorthPoint shall provide to the Division of Economics and Finance audited, year-end 1997 financial statements on or before July 1, 1998.
- (5) Should NorthPoint collect customer deposits, it shall establish and maintain an escrow account, held by a third party, to hold such funds, and shall notify the Commission Staff of the escrow arrangement. Any escrow arrangement established pursuant to this order shall be maintained for such time as the Staff or Commission determines necessary.
- (6) Pursuant to § 56-481.1 of the Code of Virginia,
 NorthPoint may price its interexchange service competitively.
- (7) There being nothing further to come before the Commission, this case shall be dismissed and the papers herein placed in the file for ended causes.